

STATE OF CALIFORNIA
CALIFORNIA ENERGY COMMISSION

Business Meeting Minutes
of
May 28, 2003

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The meeting was called to order by Chairman Keese at 10:05 a.m.

The Pledge of Allegiance was led by Commissioner Rosenfeld.

William J. Keese	Present
Robert Pernell	Present
Arthur Rosenfeld	Present
James D. Boyd	Present
John L. Geesman	Present
Margaret Kim, Ex-Officio	Absent

1. CONSENT CALENDAR. (Items on the Consent Calendar will be taken up and voted on as a group. A Commissioner may request that an item be discussed and moved to later on the agenda)
 - a. CALIFORNIA POLYTECHNIC STATE UNIVERSITY FOUNDATION. Possible approval of Contract 400-00-052 Amendment 3, to provide additional time to complete the technical financial and administrative work needed to measure and evaluate peak load reduction project results, make appropriate grant payments and submit final billing and administrative report in regards to the Agricultural Peak Load Reduction Program. (SB 5X funded)
 - b. FRESNO STATE UNIVERSITY FOUNDATION. Possible approval of Contract 400-00-056 Amendment 3, to provide additional time to complete the technical financial and administrative work needed to measure and evaluate peak load reduction project results, make appropriate grant payments and submit final billing and administrative report in regards to the Agricultural Peak Load Reduction Program. (SB 5X funded)
 - c. ANDREW FORD. Possible approval of Contract 400-03-008 for \$22,900 to incorporate simulation scenarios in an integrated energy risk assessment, showing how interdependencies could appear in the California energy market. (SEP funded)

Commissioner Rosenfeld moved and Commissioner Boyd seconded approval of the Consent Calendar. The vote was unanimous. (5-0)

2. GILROY CITY LM 6000 PROJECT (GEC) (01-EP-08C). Possible approval of a petition to construct and operate a Zero Liquid Discharge Waste Water Treatment System to process wastewater from, and provide distillate water to, the GEC Project thus reducing the use of fresh water.

Commissioner Geesman moved and Commissioner Pernell seconded approval of a petition to construct and operate a Zero Liquid Discharge Waste Water Treatment System at the GEC Project. The vote was unanimous. (5-0)

3. ORDER INSTITUTING RULEMAKING. Consideration of Order Instituting Rulemaking for determination of eligibility for Customer Responsibility Surcharge Exemptions. This rulemaking is in coordination with CPUC D.03-03-030 and the Commission's authority to collect data pursuant to PRC Sections 25210, 25213, 25218(e), 25216, 25300(c)(d) and (e).

Commissioner Geesman moved and Commissioner Rosenfeld seconded approval of the OIR for determination of eligibility for Customer Responsibility Surcharge Exemptions. The vote was unanimous. (5-0)

4. PRAXAIR GRANT AGREEMENT. Possible approval of a proposed grant agreement with the U. S. Department of Energy's sub-grant recipient for the State Energy Program – Special Projects, to construct and operate a hydrogen generation and fueling station at the Los Angeles International Airport. The hydrogen will be produced through electrolysis. This is a two year contract beginning May 14, 2003. The first year of grant funds is \$115,000 (DOE may provide an additional \$385,000 in the second year, if money is available). (PIER funded)

Commissioner Boyd moved and Commissioner Rosenfeld seconded approval of a grant agreement with Praxair (U.S. DOE's sub-grant recipient for the State Energy Program – Special Projects), to construct and operate a hydrogen generation and fueling station at the L.A. International Airport. The vote was unanimous. (5-0)

5. PACIFIC GAS AND ELECTRIC COMPANY. Possible approval of Contract 700-99-002 Amendment 2, for \$100,000 for a cost and scope amendment to the Electric System Safety and Reliability Project on earthquake hazards and vulnerabilities to electrical systems. (PIER funded)

Commissioner Pernell moved and Commissioner Rosenfeld seconded approval of Contract 700-99-002 Amendment 2. The vote was unanimous. (5-0)

6. GEOPRAXIS, INC. Possible approval of Contract 500-02-027 for \$270,445 to provide architects and engineers tools for analyzing projected energy use early in the building design process. (PIER funded)

Commissioner Rosenfeld moved and Commissioner Geesman seconded approval of Contract 500-02-027. The vote was unanimous. (5-0)

7. GAS TECHNOLOGY INSTITUTE (GTI). Possible approval of Contract 500-02-029 for \$1,015,000 for the 2003-04 membership in national collaborative research projects on behalf of the Public Interest Energy Research Program. (PIER funded)

Commissioner Rosenfeld moved and Commissioner Geesman seconded approval of Contract 500-02-029. The vote was unanimous. (5-0)

8. ELECTRIC POWER RESEARCH INSTITUTE (EPRI). Possible approval of Contract 500-02-028 for \$1,513,600 for the 2003-04 membership in national collaborative research projects on behalf of the Public Interest Energy Research Program (PIER funded)

Commissioner Rosenfeld moved and Commissioner Geesman seconded approval of Contract 500-02-028. The vote was unanimous. (5-0)

9. ELECTRICITY INNOVATION INSTITUTE (E2I). Possible approval of Contract 500-01-025 Amendment 1, to add \$378,400 and add a year to conduct tailored collaborative research, development and demonstration projects on behalf of the Public Interest Energy Research Program. (PIER funded)

Commissioner Rosenfeld moved and Commissioner Geesman seconded approval of Contract 500-01-025 Amendment 1. The vote was unanimous. (5-0)

10. ELECTRICITY INNOVATION INSTITUTE (E2I). Possible approval of Contract 500-02-014 Amendment 1, to add \$5,000,000 and two years to conduct collaborative research, development and demonstration projects on behalf of the Public Interest Energy Research Program. (PIER funded)

This Item has been moved to the June 25, 2003 Business Meeting.

11. UNIVERSITY OF CALIFORNIA, OFFICE OF THE PRESIDENT, CIEE. Possible approval of Contract 500-99-013 Amendment 2 to add \$6,000,000 and two years and nine months to the existing contract to support the Public Interest Energy Research Program. (PIER funded)

This Item has been moved to the June 11, 2003 Business Meeting.

12. ASPEN ENVIRONMENTAL GROUP. Possible approval of Contract 700-02-004 for \$20,000,000 to provide engineering/environmental technical assistance for the energy facilities licensing program staff when they review requests from developers to construct energy facilities and to provide technical assistance in electricity, transmission system engineering, natural gas, siting trends and policy planning. (ERPA funded)

This Item has been moved to the June 11, 2003 Business Meeting.

13. Minutes

Commissioner Boyd moved and Commissioner Rosenfeld seconded approval of Minutes from the May 20, 2003 meeting.

14. Commission Committee and Oversight

Commissioner Boyd participated in a meeting with the ISO, PG&E, SMUD, SDG&E, and others, on how to achieve greater electricity conservation. Commissioner Boyd also noted that the Commission would be kicking off the "Flex Your Power" campaign in June.

Chairman Keese announced that after the rest of the business meeting discussion, Executive Director Bob Therkelsen would be providing an update on the Energy Action Plan in the third floor conference room.

15. Chief Counsel's Report

No report was given.

16. Executive Director's Report

Executive Director Bob Therkelsen informed the Commissioners that the Legislature's deliberations on the Commission's budget were complete, and that all of the Commission's BCP's had been approved; however, there were some items that had gone to committee, because items that had passed on the Senate side had not necessarily passed on the Assembly side.

17. Public Adviser's Report

No report was given.

18. Public Comment

No public comments were received.

The meeting was adjourned at 10:40 a.m.

BETTY A. McCANN
Secretary to the Commission